

## Office of the Governor

June 25, 2010

The Honorable Kathleen Sebelius  
Secretary, U.S. Department of Health and Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Sebelius,

On June 7, 2010 the Department of Health and Human Services announced an invitation to apply for a grant to states for Health Insurance Premium Review-Cycle I, CFDA: 93.511. This grant application has a due date of July 7, 2010. The initial grant for Cycle I would be one (1) million dollars to be used "to develop or enhance the state process for health insurance rate review in FFYs 2010 and 2011." (See grant application CFDA: 93.511).

I have decided Wyoming will not apply for Cycle I of the grants to states for health insurance premium review. I make this decision for two reasons. First, the rules and regulations governing this effort won't be available until late summer or early fall. Without the rules and regulations there is too much uncertainty. I was especially concerned that there is no definition of "unreasonable" with regard to rate increases for health insurance coverage.

Second, the current statutory authority of the Wyoming Insurance Commissioner would not allow us to fulfill the objective of this grant. Until such time as our legislature sees fit to give the Wyoming Insurance Commissioner new authority, it is premature to apply.

As I have said since the implementation of the ACA, as states are asked to make decisions on the implementation of different provisions of the law, I intend to pause at every step to make an individual determination about which direction will most benefit Wyoming. Because of the reasons I stated above, I cannot at this time say that applying for this grant would be the most beneficial direction for Wyoming.

Sincerely,



Dave Freudenthal  
Governor

DF:MA:pjb